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Message Text

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ACTION ACDA-10

INFO OCT-01 NEA-10 ISO-00 ACDE-00 CIAE-00 INR-07 IO-13
L-03 NSAE-00 NSC-05 EB-07 NRC-05 OES-07 FEAE-00
DODE-00 ERDA-05 SS-15 INRE-00 NSCE-00 SSO-00 PM-04
/092 W
----------171722Z 042860 /43
O 171139Z MAY 77
FM AMEMBASSY NEW DELHI
TO SECSTATE WASHDC IMMEDIATE 3446

C O N F I D E N T I A L NEW DELHI 7100

BOMBAY 1125 FOLLOWS. SENT TO NEW DELHI FOR ACTION ON 17 MAY 77.
BEING RPT FOR YOUR ACTION/INFO.

QUOTE

C O N F I D E N T I A L BOMBAY 1125

E.O. 11652 GDS
TAGS: IAEA TECH PARM MNUC IN
SUBJ: PROSPECTIVE IAEA-INDIA SAFEGUARDS AGREEMENT ON HEAVY WATER

REF: VIENNA 4033

1. CONGEN BELIEVES THAT SETHNA INTENDS EVENTUALLY TO PUT BOTH RAPP I AND RAPP II UNDER IAEA SAFEGUARDS. HE REASONS THAT BOTH OF THESE PLANTS BENEFITED FROM EXTENSIVE FOREIGN ASSISTANCE AND THEREFORE THERE IS STRONG CASE FOR PUTTING THEM UNDER THE SURVEILLANCE OF AN INTERNATIONAL AGENCY. HOWEVER, CONGEN NOT CERTAIN THAT HE IS YET READY FOR THIS STEP WITH REGARD TO RAPP II. HE SEEMS TO VIEW CURRENT IAEA NEGOTIATIONS AS OPPORTUNITY TO SET UP LONG-TERM SAFEGAURDS ON RAPP I IN THE WAKE OF THE CANADIAN PULL-OUT. HOWEVER, HE MAY WELL SEE SUBSTANTIAL ADVANTAGES IN DELAYING THE SAFEGUARDING OF RAPP II UNTIL THAT FACILITY IS CLOSER TO CRITICALITY, WHICH HE ADMITTED ONLY LAST
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WEEK MAY NOT OCCUR UNTIL 1978.

2. IT IS OF COURSE TRUE THAT SETHNA'S CURRENT INTENTION IS TO OPERATE RAPP I AND RAPP II FROM A COMMON POOL OF HEAVY WATER, DEVOTED UNIQUELY TO THESE POWER REACTORS WHICH CONGEN BELIEVES IS YET TO BE ESTABLISHED. AT LEAST UNTIL VERY RECENTLY, ALL OF THE INDIAN HEAVY REACTORS, INCLUDING THOSE DEVOTED TO

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RESEARCH, HAVE BEEN OPERATED FROM A SINGLE HEAVY WATER POOL.
SETHNA, HOWEVER, COULD ARGUE THAT HE WILL CREATE SEPARATE HEAVY
WATER POOLS FOR SERVICING OF RAPP I AND RAPP II RESPECTIVELY,
EVEN THOUGH THIS WOULD BE COSTLY AND UNECONOMIC. HE COULD PLACE
IN RAPP I POOL THAT PORTION OF US-ORIGIN HEAVY WATER INITIALLY
SUPPLIED FOR RAPP I WHICH STILL REMAINS "AFTER USE-UP OF APPROX-
IMATELY 10 PERECENT PER YEAR" PLUS THE FULL 21 TONS OF U.S.
HEAVY WATER SUPPLIED FOR CRUS AS WELL AS THE 55 TONS OF RUSSIAN
HEAVY WATER ALREADY DELIVERED. WITH THE ADDITION OF A LITTLE
DOMESTIC HEAVY WATER, TOTALY WOULD AMOUNT TO THE CURRENT CHARGE
AT RAPP I WHICH IS ABOUT 200 TONS.

3. SETHNA COULD THEN ARGUE THAT THE QUESTION OF THE
REMAINING 145 TONS OF HEAVY WATER UNDER THE RUSSIAN
COMMITMENT COULD BE DEALT WITH AT A LATER STAGE, I.E.,
WHEN RAPP II IS CLOSER TO GOING CRITICAL. IN THE REGARD,
IT IS WORTH NOTING THAT THE BARODA HEAVY WATER PLANT IS NOW ON
STEAM PROBABLY AT CLOSE TO ITS RATED ANNUAL OUTPUT OF 65-70
MTS. THE KOTA PLANT IS NOT FAR FROM OPERATIONAL CAPABILITY
AND IT HAS AN ANNUAL CAPACITY OF 100 MTS. IN ADDITION, THE
NANGAL PLANT IS STILL TURNING OUT ABOUT 14 MTS PER YEAR AND
SETHNA HAS AN INVENTORY FROM PAST NANGAL PRODUCTION RUNNING SOMEWHERE
BETWEEN 50 AND 100 MTS. EVEN THOUGH SETHNA WILL HAVE A NEED FOR
A FURTHER 100 MTS WHEN R-5 GOES CRITICALIN 12 TO 18 MONTHS,
HIS SUPPLY OF DOMESTIC HW WILL BE CLOSE TO FULFILLING HIS NEEE
IF THERE ARE CONTINUED DELAYS IN COMPLETION OF RAPP II AND MAPPS.

4. CONGEN BELIVES THAT SETHNA WANTS TO PLAY HIS CARDS VERY
CAREFULLY IN PUTTING INDIA'S NUCLEAR FACILITIES UNDER
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SAFEGUARDS. THE LINE HE SEEMS TO HAVE DRAWN FOR INTERNATIONAL
SAEFGUARDS IS AT THOSE FACILITIES THAT HAVE RECEIVED MEANINGUL
FOREIGN ASSISTANCE IN THE CONSTRUCTION. UNDER THIS CRITERION,
RAPP II WOULD BE THE LAST MAJOR FACILITY TO BE SAFEGUARDED AS HE
CONSIDERES THAT HIS REPROCESSING PLANT WAS BUILT ENTIRELY
THROUGH INDIA FFORTS, AND THAT MAPPS AND NARORA FALL INTO
SAME CATEGORY. ASSUMING, AS CONGEN DOES, THAT THE GOI AND
PARTICULARLY SETHNA IS PREAPRED TO DISCUSS THE RENEGOTIATION
OF THE TARAPUR FUEL SUPPLY CONTRACT AND RELATED INDO-U.S.
BILATERAL IN THE LIGHT OF PRESIDENT CARTER'S NONPROLIFERATION
POLICY, IT SEEMS POSSIBLE THAT THE GOI WILL WANT TO KEEP A FEW
CARDS BACK FOR THESE BILATERAL NEGOTIATIONS THAT WILL TAKE PLACE
OVER THE NEXT 12 MONTHS, PARTICULARLY WHILE THEY WAIT TO SEE HOW
CONGRESS REACTS TO THE ADMINISTRATION'S PROPOSED NON-PROLIFERATION
LEGISLATION.

5. THE PRECEDING ANALYSIS SUGGESTS THAT THE U.S. MAY
BE IN A BETTER POSITION LATER THIS YEAR TO WEIGH IN ON THE
SAFEGUARDING OF RAPP II. WE CAN ALWAYS ARGUE THAT THE

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TOTAL AMOUNT OF FOREIGN SUPPLIED HEAVY WATER FOR RAPP I AND RAPP II
TOGETHER EXCEEDS THE 200 TONS INITIALLY REQUIRED FOR
CHARGING RAPP I. THEREFORE WE HAVE AN UNDENIABLE RIGHT TO BE
INTERESTED IN SAFEGUARDING BOTH FACILITIES. FO COURSE THE SAME
POINT COULD BE MADE NOW SO THE QUESTION IS WHETHER IT COULD BE DONE
MTRE EFFECTIVELY AT THIS JUNCTURE. I AM INCLINED TO BELIEVE
WE SHOULD WAIT, AS OUR VOICE WILL CARRY GREATER STRENGTH IF
USED IN OUR BILATERAL TALKS.
COURTNEY

UNQUOTE

SCHNEIDER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
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Concepts: NUCLEAR SAFEGUARDS, HEAVY WATER
Control Number: n/a
Copy: SINGLE
Sent Date: 17-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
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Review Date: 01-Dec-2004 12:00:00 am
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